

March 1, 1988

LB 958

CLERK: 958 by Senators Smith, Hartnett and Scofield. (Read title.) Introduced in January, referred to Urban Affairs, advanced to General File. I have no amendments to the bill.

PRESIDENT: Senator Smith, please.

SENATOR SMITH: Thank you, Mr. Chairman. Members of the body, LB 958 would amend Section 18-1214 which already authorizes the wheel tax to provide more flexibility in this alternate revenue source as a means to affect property tax relief. The bill would expand the types of street related activities that can be funded by a wheel tax. Present law does not authorize the use of such wheel tax funds for the improvements of residential streets, maintenance or related equipment purchases. It does not expand taxing authority, but it would provide city councils and village boards flexibility by authorizing funds derived from the wheel tax to be used in such things as constructing, resurfacing, maintenance, or improving streets, roads, alleys, public ways or parts thereof. It is important to remember that the City of Lincoln and Omaha already have such broad-based authority in the use of their funds from the wheel tax, and other municipalities simply desire that same capability. There is no fiscal impact to the bill, of course, and I urge your support for the bill. Thank you.

PRESIDENT: Thank you. Senator Vard Johnson, please.

SENATOR V. JOHNSON: Mr. President, members of the Legislature, I have been trying to read these bills fairly quickly, as they are coming up, so I can understand them and make a comment or not, or at least have a halfway knowledge of a vote on them. I was reading LB 958 and I noticed it was expanding the wheel tax authority, and I thought that Omahans get pretty bent out of shape, from time to time, about the wheel tax. And I thought maybe it wouldn't be a good thing to do. But then Senator Smith explained that this particular expansion of authority already exists for Omaha and Lincoln, and this bill only applies to cities other than Omaha and Lincoln. Is that correct, Senator Smith?

PRESIDENT: Just a moment until we turn you on, Senator Smith. Now respond, please.

SENATOR SMITH: Yes, that is correct, Senator Johnson. The thing of it is that, for instance, Hastings already has a wheel